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Germany

Cotton and Products

Annual

2002

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Report Highlights:

Raw cotton imports totaled 146,125 MT in MY 2000/2001, up 15 percent from the previous MY, mainly due to the low price level. For MY2001/2002 declining imports are expected. Imports of U.S. cotton amounted to 6,357 MT in MY 2000/2001.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

Berlin [GM1], GM

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Executive Summary

Raw Cotton

Germany does not produce cotton and therefore depends on imports for its textile and apparel industry. Specific information on the German market for Extra Long Staple (ELS) cotton is not available.

German imports of raw cotton increased from 127,164 MT in MY 1999/2000 to 146,125 MT in MY 2000/2001. This is an increase of about 19,000 MT or 15 percent. Part of this is due to increased re-exports which totaled 17,859 MT in MY 2000/2001, 4,217 MT more than in the previous MY. In addition to this, importers took advantage of the seemingly low cotton price level at the end of CY 2000 to fill their stocks. For MY 2001/2002, imports are expected to fall back to a lower level. As prices have continued to fall, importers are speculating on even lower prices in future, and are now avoiding building excessive stocks.

In MY 2000/2001 the top four suppliers of raw cotton to the German market were Uzbekistan (17.7 pct market share), Chad (9.1 pct), Cameroon (8.5 pct) and Sudan (7.6 pct). The United States ranked number seven with a market share of 4.4 pct. German imports of raw cotton from the U.S. amounted to 6,357 MT in MY 2000/2001 compared to 4,334 MT in MY 1999/2000, an increase of almost 47 percent. Unfortunately, industry contacts were unable to provide an explanation for this increase.

About 12 percent (17,859 MT) of the imported cotton was re-exported in MY 2000/2001, mainly to the Czech Republic, Austria, Switzerland and the Netherlands.

Because of high labor costs, the German cotton industry generally competes on quality rather than on price and is very interested in high quality raw cotton (little contamination with trash). This could normally provide excellent opportunities for U.S. cotton. However the strong dollar is making high quality U.S. cotton unattractive when compared to similar quality cotton from other sources.

Textiles and apparels

CY 2001 started out well for the German textile industry, but did not meet expectations in the end. In the second half of the year, domestic consumption suffered from the declining German economy. Starting in September, exports also declined. Orders from abroad were three percent lower in volume in CY 2001 than in CY 2000, orders from within Germany declined by four percent. Production of textiles went down three percent in CY 2001 compared to the previous year. Prices however are reported to have increased by one percent in the same period.

Total turnover by value of the German textile industry (includes yarn and fabric, excludes apparel) amounted to 15.4 billion Euro in CY 2001, a drop of 1.7 percent compared to CY 2000. The drop was more prominent in domestic turnover, which was reduced by 2.2 percent to about 10 billion Euro, while turnover of exports decreased by only 0.7 percent and totaled 5.4 billion Euro. Consequently the export share of total turnover increased from 34.9 percent in

CY 2000 to 35.2 percent in CY 2001.

Trade data for cotton yarn and cotton fabric on a calendar basis are included in the statistical section. For the purpose of this report, cotton yarn is defined as yarn of the HS codes 5204, 5205 and 5207; cotton fabric includes HS codes 5208, 5209.

For cotton yarn imports decreased from 95,610 MT in CY 2000 to 80,276 MT in CY 2001, a drop of 16 percent. In the same period exports decreased from 60,410 MT to 58,699 MT a drop of three percent.

Imports of cotton fabric dropped 3.45 percent from 90,978 MT in CY 2000 to 87,839 MT in CY 2001. Exports decreased by 4.86 percent from 92,761 MT in CY 2000 to 88,254 MT in CY 2001.

Section II: Statistical Data

Table 1: Cotton PSD (in ha, MT)

	2000		2001		2002	
	Old	New	Old	New	Old	New
Market Year Begin		08/1999		08/2000		08/2001
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	21,773	21,773	26,127	21,000	29,393	24,000
Production	0	0	0	0	0	0
Imports	152,844	127,164	141,522	146,125	0	135,000
TOTAL SUPPLY	174,617	148,937	167,649	167,125	29,393	159,000
Exports	17,854	13,642	13,064	17,859	0	15,000
USE Dom. Consumption	130,636	114,295	125,193	125,266	0	121,000
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	130,636	114,295	125,193	125,266	0	121,000
Ending Stocks	26,127	21,000	29,393	24,000	0	23,000
TOTAL DISTRIBUTION	174,617	148,937	167,650	167,125	0	159,000

Source: FAS/Berlin based on official data from the German Federal Office of Statistics, Wiesbaden, Industrieverband Garne und Gewebe, FAS/Berlin estimate

Table 2: Cotton Import Prices (in US\$ per MT)

Year	2000	2001	% Change			2000	2001	% Change
Jan	1148.62	1408.53	22.6%		Jul	1186.02	1201	1.3%
Feb	1092.02	1351.69	23.8%		Aug	1056.46	1227.78	16.2%
Mar	1139.5	1348.78	18.4%		Sep	1148.94	1168.56	1.7%
Apr	979.89	1413.92	44.3%		Oct	1138.51	1074.04	-5.7%
May	1118.05	1337.33	19.6%		Nov	1188.42	1057.11	-11.0%
Jun	1115.77	1338.94	20.0%		Dec	1284.31	1149.99	-10.5%

Note: Values are in US\$ calculated from local currency import prices based on monthly exchange rate

Table 3: Cotton PSD (in ha, 1000 Bales of 480 lb)

		2000		2001		2002
	Old	New	Old	New	Old	New
Market Year Begin						
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	100	100	120	96	135	110
Production	0	0	0	0	0	0
Imports	702	584	650	671	0	620
TOTAL SUPPLY	802	684	770	768	135	730
Exports	82	63	60	82	0	69
USE Dom. Consumption	600	525	575	575	0	556
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	600	525	575	575	0	556
Ending Stocks	120	96	135	110	0	106
TOTAL DISTRIBUTION	802	684	770	768	0	730

Source: FAS/Berlin based on official data from the German Federal Office of Statistics, Wiesbaden, Industrieverband Garne und Gewebe, FAS/Berlin estimate

Table 4: Import and Export of Raw Cotton (in MT)

Imports for	2000		2001		2002
U.S.	4,334	U.S.	6,357	U.S.	1,395
Others		Others		Others	
Uzbekistan	43,509	Uzbekistan	25,803	Uzbekistan	9,531
Chad	14,072	Chad	13,350	Sudan	6,720
Greece	10,201	Cameroon	12,343	Greece	5,552
Sudan	9,374	Sudan	11,046	Brazil	5,252
Zimbabwe	4,938	Greece	7,896	Chad	3,905
Mali	4,682	Pakistan	7,399	Cameroon	2,916
Israel	4,600	Argentina	4,929	Argentina	2,883
Turkmenistan	4,082	Mali	4,741	Kazakhstan	2,566
Syria	3,660	Syria	4,465	Paraguay	1,709
Tajikistan	2,613	Israel	4,369	Mali	1,607
Total for Others	101,731	Total for Others	96,341	Total for Others	42,641
Others not listed	21,099	Others not listed	43,427	Others not listed	10,627
Grand Total	127,164	Grand Total	146,125	Grand Total	54,663

Exports for	2000		2001		2002
U.S.	13	U.S.	9	U.S.	0
Others		Others		Others	
Austria	5,205	Czech Republic	6,167	Czech Republic	4,224
Czech Republic	2,700	Austria	4,934	Austria	1,353
Netherlands	1,359	Switzerland	1,012	Poland	492
Denmark	773	Netherlands	1,010	India	441
Belgium	620	Poland	840	Croatia	423
Poland	486	France	781	Netherlands	357
Italy	424	Slovenia	752	Switzerland	346
Croatia	389	Croatia	735	Hungary	274
Switzerland	303	Italy	424	Indonesia	170
Slovenia	258	Hungary	409	Serbia/Montenegro	167
Total for Others	12,517	Total for Others	17,064	Total for Others	8,247
Others not listed	1,112	Others not listed	786	Others not listed	671
Grand Total	13,642	Grand Total	17,859	Grand Total	8,918

Note: 2000: Aug 1999 - Sept 2000; 2001: Aug 2000 - Sept 2001; 2002: Aug 2001-Jan 2002

Source: FAS/Berlin based on official data from the German Federal Office of Statistics, Wiesbaden, Industrierband Garne und Gewebe, FAS/Berlin estimate

Table 5: Import and Export of Cotton Yarn HS-Codes 5204, 5205, 5207 (in MT)

Imports for	2000		2001		2002
U.S.	23	U.S.	22	U.S.	0
Others		Others		Others	
Italy	13,272	Czech Republic	11,502	Spain	803
Spain	11,460	Italy	9,051	Greece	649
Greece	9,589	Spain	8,728	Italy	617
Czech Republic	7,442	Greece	8,139	Czech Republic	581
Switzerland	7,037	India	7,409	India	578
India	5,755	Switzerland	5,365	Switzerland	406
Austria	5,408	Austria	4,422	Uzbekistan	337
Turkey	4,780	Turkey	3,257	Austria	285
Syria	3,715	Uzbekistan	3,004	Turkey	270
France	3,393	France	2,362	Zambia	239
Total for Others	71,851	Total for Others	63,239	Total for Others	4,765
Others not listed	23,684	Others not listed	17,019	Others not listed	1,190
Grand Total	95,558	Grand Total	80,280	Grand Total	5,955

Exports for	2000		2001		2002
U.S.	1,009	U.S.	265	U.S.	3
Others		Others		Others	
France	8,549	France	6,722	Italy	660
Czech Republic	6,463	Austria	6,241	Czech Republic	530
Austria	5,889	Czech Republic	6,217	Austria	471
Great Britain	5,151	Italy	5,999	Spain	345
Spain	5,020	Spain	5,575	France	331
Italy	4,945	Great Britain	4,194	Portugal	280
Netherlands	3,648	Denmark	3,300	Netherlands	208
Denmark	3,477	Netherlands	3,010	Poland	184
Portugal	2,446	Portugal	2,706	Great Britain	141
Belgium	2,364	Belgium	2,126	Denmark	140
Total for Others	47,952	Total for Others	46,090	Total for Others	3,290
Others not listed	11,449	Others not listed	12,344	Others not listed	921
Grand Total	60,410	Grand Total	58,699	Grand Total	4,214

Note: 2000: Jan- Dec 2000 (final), 2001: Jan - Dec 2001(provisional), 2002: Jan 2002

Source: FAS/Berlin based on official data from the German Federal Office of Statistics, Wiesbaden, Industrieverband Garne und Gewebe, FAS/Berlin estimate

Table 6: Import and Export of Cotton Fabric HS-Codes 5208, 5209 (in MT)

Imports for	2000		2001		2002
U.S.	301	U.S.	149	U.S.	7
Others		Others		Others	
Italy	14,101	Italy	14,104	Italy	1,052
France	8,081	France	8,554	Czech Republic	687
Czech Republic	7,879	Czech Republic	8,388	Russia	512
Russia	6,745	India	6,003	France	472
India	6,570	Russia	5,881	Pakistan	439
Austria	5,610	Pakistan	4,396	Malaysia	421
Netherlands	3,714	Thailand	4,059	India	401
Pakistan	3,618	Austria	3,364	Thailand	364
Thailand	3,505	Netherlands	3,268	China	245
China	3,469	China	2,770	Belgium	243
Total for Others	63,292	Total for Others	60,787	Total for Others	4,836
Others not listed	27,385	Others not listed	26,903	Others not listed	2,303
Grand Total	90,978	Grand Total	87,839	Grand Total	7,146

Exports for	2000		2001		2002
U.S.	485	U.S.	799	U.S.	77
Others		Others		Others	
Poland	13,982	Poland	14,268	Poland	1,054
France	13,218	France	13,248	France	988
Italy	10,903	Italy	8,824	Italy	748
Netherlands	6,107	Romania	6,177	Romania	633
Romania	5,468	Netherlands	5,130	Tunisia	407
Tunisia	4,832	Tunisia	4,930	Netherlands	326
Austria	4,087	Czech Republic	3,656	Czech Republic	269
Czech Republic	3,282	Austria	3,264	Slovakia	260
Spain	2,509	Slovakia	2,205	Austria	252
Portugal	2,348	Spain	1,920	Turkey	190
Total for Others	66,736	Total for Others	63,622	Total for Others	5,127
Others not listed	25,540	Others not listed	23,833	Others not listed	2,106

Grand Total	92,761	Grand Total	88,254	Grand Total	7,310
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Note: 2000: Jan- Dec 2000 (final), 2001: Jan - Dec 2001 (provisional), 2002: Jan 2002

Source: FAS/Berlin based on official data from the German Federal Office of Statistics, Wiesbaden, Industrieverband Garne und Gewebe, FAS/Berlin estimate